



SAN JOSE POLICE OFFICERS' ASSOCIATION

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August 11, 2011

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350 Sansome Street, Suite 300
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Re: City of San Jose/San Jose POA Interest Arbitration—Selection of Arbitrator Panel

Dear Jonathan:

We write to follow-up our meeting on July 20, during which we began to discuss the process for selecting an arbitrator for our forthcoming interest arbitration under Section 1111. This will confirm that the POA has selected Jim Unland, its Vice President, as the Union representative on the arbitration panel.

Notwithstanding that we are aware of the City's *preference* for a retired former judge, given that this is the first time the parties have utilized the "new" Section 1111, we want to adhere to the new procedures implemented by the voters. Those require that the City and Union selected arbitration panel members themselves first try to agree on a third arbitration panel member. Only after that process has been satisfied is the default option of contacting the Santa Clara County Superior Court with respect to the appointment of a retired judge triggered.

Accordingly, we ask the City to reconsider its inclination to use a retired judge and instead, as the voters intended, have its representative work with Jim Unland to try in good faith to agree on a mutually acceptable third panel member.

As well as respecting the language in Section 1111, our research has brought to light another consideration that should cause the City to revisit its preferred option of a retired judge. That is the cost factor. Some of the better retired judges who are hearing disputes while sitting as arbitrators can cost anywhere from \$4000-\$10,000 *per day*. Labor arbitrators typically cost a fraction of that. In addition, because we anticipate that a retired former judge would require (1) significant pre-arbitration education (probably through briefing) on some of the basic parameters of labor law that, say, a seasoned labor arbitrator would be intimately familiar with; and (2) far more formalized procedures, this

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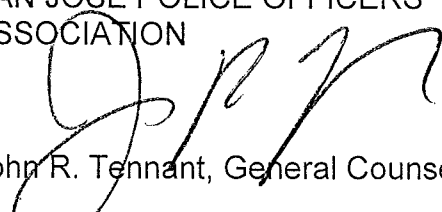
would drive up the cost of the arbitration significantly for both the POA and the City.

Accordingly, at a time when the City is laying off police officers and trying to address its financial crisis, it seems contradictory for it to have to spend excessively (and require the POA to spend excessively), to bring in a retired judge, particularly when the industry standard is to have labor arbitrators hear such disputes.

Please advise us who the City has selected to be on the arbitration panel. And please do consider our suggestion of using a labor arbitrator as the third panel member.

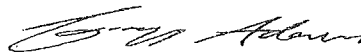
Very truly yours,

SAN JOSE POLICE OFFICERS'
ASSOCIATION



John R. Tennant, General Counsel

CARROLL, BURDICK & McDONOUGH LLP



Gregg McLean Adam

cc: Alex Gurza, Director of Employee Relations
Gina Donnelly, Deputy Director of Employee Relations
George Beattie, President, POA
Jim Unland, Vice President, POA
POA Bargaining Team